

Vote 28

Land Affairs

R thousand	2007/08			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	5 678 519	5 928 269	–	249 750
<i>of which:</i>				
Current payments	1 265 561	1 244 408	(21 153)	–
Transfers and subsidies	4 014 373	3 763 982	(250 391)	–
Payments for capital assets	398 585	919 879	–	521 294
Executive authority	Minister of Agriculture and Land Affairs			
Accounting officer	Director-General of Land Affairs			

Aim

The aim of the Department of Land Affairs is create and maintain an equitable and sustainable land dispensation that results in social and economic development for all South Africans.

Adjusted Estimates of National Expenditure 2007

Table 28.1: Adjusted estimates

Programme	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
R thousand		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	410 730	–	–	23 240	(250)	22 990	433 720
2. Surveys and Mapping	100 311	–	–	5 310	–	5 310	105 621
3. Cadastral Surveys	100 354	–	–	40 998	–	40 998	141 352
4. Restitution	3 327 095	–	250 000	–	–	250 000	3 577 095
5. Land Reform	1 696 680	–	–	(60 998)	–	(60 998)	1 635 682
6. Spatial Planning and Information	30 756	–	–	(8 550)	–	(8 550)	22 206
7. Auxiliary and Associated Services	12 593	–	–	–	–	–	12 593
Total	5 678 519	–	250 000	–	(250)	249 750	5 928 269
Economic classification							
Current payments	1 265 561	–	–	(20 903)	(250)	(21 153)	1 244 408
Compensation of employees	671 863	–	–	(97 455)	–	(97 455)	574 408
Goods and services	593 698	–	–	76 552	(250)	76 302	670 000
Transfers and subsidies	4 014 373	–	250 000	(500 391)	–	(250 391)	3 763 982
Provinces and municipalities	–	–	–	54	–	54	54
Departmental agencies and accounts	2 353	–	–	–	–	–	2 353
Public corporations and private enterprises	44	–	–	–	–	–	44
Foreign governments and international organisations	1 100	–	–	–	–	–	1 100
Non-profit institutions	2 000	–	–	(2 000)	–	(2 000)	–
Households	4 008 876	–	250 000	(498 445)	–	(248 445)	3 760 431
Payments for capital assets	398 585	–	–	521 294	–	521 294	919 879
Buildings and other fixed structures	172	–	–	(172)	–	(172)	–
Machinery and equipment	43 151	–	–	6 680	–	6 680	49 831
Software and other intangible assets	18 209	–	–	2 777	–	2 777	20 986
Land and subsoil assets	337 053	–	–	512 009	–	512 009	849 062
Total	5 678 519	–	250 000	–	(250)	249 750	5 928 269

Details of adjustments to Estimates of National Expenditure 2007

Unforeseen and unavoidable expenditure – R250 million

Programme 4: Restitution

R250 million has been allocated to settle the Richtersveld land claim.

Virements

Table 28.2: Details on virements per programme and economic classification

Programme / Economic classification	R thousand		Motivation
	From	To	
1. Administration	(17 380)	40 620	
Current payments	(17 380)	31 251	
Compensation of employees	(17 380)	–	Savings due to the high vacancy rate of 24.9%, mainly because of an inability to attract the required scarce skills, have been shifted to goods and services (R8.011 million), province and municipalities (R34 000), households (R6.329 million), machinery and equipment (R784 000) and software and intangible assets (R2.222 million).
Goods and services	–	31 251	Funds shifted from compensation of employees in this programme (R8.011 million), in programme 5 (R20 million) and in programme 6 (R3.24 million) will be used for ICT services.
Transfers and Subsidies	–	6 363	
Provinces and municipalities	–	34	Funds shifted from compensation of employees will be used for vehicle licensing fees.
Households	–	6 329	Funds shifted from compensation of employees will be used for higher than expected bursaries expenditure, and severance packages as well as accrued leave.
Payments for capital assets	–	3 006	
Machinery and equipment	–	784	Funds shifted from compensation of employees will be used for rising computer equipment costs.
Software and other intangible assets	–	2 222	Funds shifted from compensation of employees will be used for higher than expected costs of Oracle software.
2. Surveys and Mapping	(15)	5 325	
Current payments	–	4 959	
Goods and services	–	4 959	Funds shifted from compensation of employees in programme 6 will be used to upgrade server rooms and expand mass storage.
Payments for capital assets	(15)	366	
Machinery and equipment	–	366	Funds shifted from compensation of employees in programme 6 will be used for the capital portion of upgrading server rooms and expanding mass storage.
Software and other intangible assets	(15)	–	Savings have been shifted to machinery and equipment.
3. Cadastral Surveys	(172)	41 170	
Current payments	–	40 369	
Compensation of employees	–	6 752	Savings of R9.673 million due to an inability to attract scarce skills have been shifted to goods and services. R16.425 million has been shifted from compensation of employees in programme 5 and will be used for the state land audit for land reform.
Goods and services	–	33 617	R9.673 million shifted from compensation of employees in this programme and R24.42 million from goods and services in programme 5 will be used for the state land audit for land reform.
Transfers and Subsidies	–	1	
Provinces and municipalities	–	1	Funds shifted from compensation of employees will be used for vehicle licensing fees.
Payments for capital assets	(172)	800	
Buildings and other fixed structures	(172)	–	Incorrectly classified funds have been shifted to machinery and equipment.
Machinery and equipment	–	800	R475 000 shifted from compensation of employees will be used for rising computer equipment costs. R172 000 incorrectly allocated was shifted from buildings and other fixed structures. R153 000 shifted from machinery and equipment in programme 5 will be us

Table 28.2: Details on virements per programme and economic classification (continued)

Programme / Economic classification	R thousand		Motivation
	From	To	
4. Restitution	(29 573)	29 573	
Current payments	(29 573)	25 227	
Compensation of employees	(29 573)	–	Savings have been shifted to goods and services (R25.227 million), machinery and equipment (R2.11 million) and land and subsoil assets (R2.235 million).
Goods and services	–	25 227	Funds from compensation of employees will be used for additional resources for additional staff.
Transfers and Subsidies	–	1	
Provinces and municipalities	–	1	Funds shifted from compensation of employees will be used for vehicle licensing fees.
Payments for capital assets	–	4 345	
Machinery and equipment	–	2 110	Funds shifted from compensation of employees will be used for computer equipment, office equipment and office furniture for new staff.
Land and subsoil assets	–	2 235	Funds shifted from compensation of employees will be used for the last payment for the proactive land acquisition strategy (PLAS) initiative.
5. Land Reform	(573 910)	512 912	
Current payments	(69 136)	–	
Compensation of employees	(43 038)	–	Savings due to a delay in finalising a new structure have been shifted to goods and services in programme 1 (R20 million), compensation of employees in programme 3 (R16.425 million), and land and subsoil assets (R5 million) and machinery and equipment (R1
Goods and services	(26 098)	–	Savings have been shifted to goods and services (R24.42 million) and machinery and equipment (R784 000) in programme 3 and to software and other intangible assets (570 000) and provinces and municipalities (R18 000) in this programme.
Transfers and Subsidies	(504 774)	18	
Provinces and municipalities	–	18	Funds shifted from goods and services will be used for vehicle licensing fees.
Households	(504 774)	–	50% of funds have been reprioritised for fast-tracking land acquisition through the proactive land acquisition strategy (PLAS) initiative and shifted to land and subsoil assets.
Payments for capital assets	–	512 894	
Machinery and equipment	–	2 550	Shifted funds will be used for the increasing costs of office and computer equipment.
Software and other intangible assets	–	570	Shifted funds will be used for buying software.
Land and subsoil assets	–	509 774	Reprioritised funds from compensation of employees (R5 million) and households (R504.774 million) will be used to fast-track land acquisition through the proactive land acquisition strategy (PLAS) initiative.
6. Spatial Planning and Information	(16 216)	7 666	
Current payments	(14 216)	7 596	
Compensation of employees	(14 216)	–	Savings due to the high vacancy rate of 24.9%, mainly because of an inability to attract the required scarce skills, have been shifted to goods and services (R4.959 million) and machinery and equipment (R351 000) in programme 2, goods and services in prog
Goods and services	–	7 596	R5.596 million shifted from compensation of employees and R2 million from non-profit institutions will be used for additional resources for additional staff.
Transfers and Subsidies	(2 000)	–	
Non-profit institutions	(2 000)	–	Savings arose because the registration of South African Council of Planners will not be finalised in the current financial year. The funds were shifted to goods and services.
Payments for capital assets	–	70	
Machinery and equipment	–	70	Funds shifted from compensation of employees will be used for rising computer equipment costs.
Total for Vote	(637 266)	637 266	

Other adjustments – (R250 000)**Shifting of funds between votes**

Programme 1: Administration

R250 000 has been shifted to Government Communication and Information System for the mass communications campaign on second economy interventions.

Expenditure 2006/07 and preliminary expenditure 2007/08

Table 28.3: Expenditure trends

Programme	2006/07				2007/08		
	Expenditure outcome				Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 2006 - Sep 2006	Apr 2006 - Mar 2007	Apr 06 - Mar 07 % of adjusted appropriation	Adjusted appropriation	Apr 2007 - Sep 2007	% change 06/07 - 07/08 Apr - Sep
1. Administration	368 787	142 801	336 325	91.2	433 720	164 584	15.3
2. Surveys and Mapping	79 155	27 365	71 912	90.8	105 621	28 219	3.1
3. Cadastral Surveys	92 283	39 958	90 197	97.7	141 352	56 652	41.8
4. Restitution	2 247 132	686 346	2 338 366	104.1	3 577 095	1 976 254	187.9
5. Land Reform	907 289	286 585	854 071	94.1	1 635 682	544 316	89.9
6. Spatial Planning and Information	22 586	7 799	21 028	93.1	22 206	7 368	(5.5)
7. Auxiliary and Associated Services	12 964	1 074	13 652	105.3	12 593	2 876	167.8
Total	3 730 196	1 191 928	3 725 551	99.9	5 928 269	2 780 269	133.3
Current payments	984 731	373 540	868 499	88.2	1 244 408	467 001	25.0
Compensation of employees	460 136	191 762	406 123	88.3	574 408	222 355	16.0
Goods and services	524 595	181 239	460 765	87.8	670 000	244 080	34.7
Financial transactions in assets and liabilities	–	539	1 611	–	–	566	5.0
Transfers and subsidies	2 570 985	803 699	2 465 384	95.9	3 763 982	2 010 241	150.1
Provinces and municipalities	8 485	8 272	8 281	97.6	54	56	(99.3)
Departmental agencies and accounts	2 244	1 750	2 230	99.4	2 353	1 718	(1.8)
Public corporations and private enterprises	40	–	42	105.0	44	–	(100.0)
Foreign governments and international organisations	2 019	–	–	–	1 100	–	(100.0)
Non-profit institutions	1 000	–	–	–	–	–	(100.0)
Households	2 557 197	793 677	2 454 831	96.0	3 760 431	2 008 467	153.1
Payments for capital assets	174 480	14 689	391 668	224.5	919 879	303 027	1 963.0
Buildings and other fixed structures	75	–	–	–	–	–	(100.0)
Machinery and equipment	52 123	13 533	48 699	93.4	49 831	10 226	(24.4)
Software and other intangible assets	5 282	1 156	3 227	61.1	20 986	388	(66.4)
Land and subsoil assets	117 000	–	339 742	290.4	849 062	292 413	(100.0)
Total	3 730 196	1 191 928	3 725 551	99.9	5 928 269	2 780 269	133.3

Selected expenditure trends for the first half of 2007/07

Expenditure in the first six months of 2007/08 was R2.78 billion, or 46.9 per cent of the adjusted appropriation of R5.928 billion for the year as a whole. Expenditure in the first six months of 2007/08 increased by 133.3 per cent compared to the first six months of 2006/07.

The main increases compared to 2006/07 are related to settling claims, households, and acquiring land through the proactive land acquisition strategy (PLAS). In the first six months of 2007/08, spending in the Restitution programme was R1.1 billion, or 55.2 per cent of the adjusted appropriation of R3.6 billion. Spending in the Land Reform programme was R544.3 million, or 33.3 per cent of the adjusted appropriation of R1.6 billion.

Expenditure in 2006/07 was 99.9 per cent of the adjusted appropriation for that year.

Changes to transfers and subsidies

Table 28.4: Summary of changes to transfers and subsidies per programme

R thousand	2007/08						Adjusted appropriation
	Main appropriation	Additional appropriation				Total additional appropriation	
		Roll-overs	Unforeseeable /unavoidable	Virement	Other adjustments		
1. Administration	628	-	-	6 363	-	6 363	6 991
Provinces and municipalities							
Municipalities							
Municipalities							
Current	-	-	-	34	-	34	34
Regional Services Council levies	-	-	-	34	-	34	34
Households							
Social benefits							
Current	85	-	-	(51)	-	(51)	34
Leave Gratuity	85	-	-	(51)	-	(51)	34
Other transfers							
Current	500	-	-	6 380	-	6 380	6 880
Employer Social Benefit	500	-	-	6 380	-	6 380	6 880
3. Cadastral Surveys	80	-	-	1	-	1	81
Provinces and municipalities							
Municipalities							
Municipalities							
Current	-	-	-	1	-	1	1
Regional Services Council levies	-	-	-	1	-	1	1
4. Restitution	2 996 764	-	250 000	1	-	250 001	3 246 765
Provinces and municipalities							
Municipalities							
Municipalities							
Current	-	-	-	1	-	1	1
Regional Services Council levies	-	-	-	1	-	1	1
Households							
Other transfers							
Capital	2 996 764	-	250 000	-	-	250 000	3 246 764
Restitution Grants	2 996 764	-	250 000	-	-	250 000	3 246 764
5. Land Reform	1 011 900	-	-	(504 756)	-	(504 756)	507 144
Provinces and municipalities							
Municipalities							
Municipalities							
Current	-	-	-	18	-	18	18
Regional Services Council levies	-	-	-	18	-	18	18
Households							
Other transfers							
Capital	1 009 548	-	-	(504 774)	-	(504 774)	504 774
Land Reform Grants	1 009 548	-	-	(504 774)	-	(504 774)	504 774
6. Spatial Planning and Information	2 000	-	-	(2 000)	-	(2 000)	-
Non-profit institutions							
Current	2 000	-	-	(2 000)	-	(2 000)	-
South African Council for Planners	2 000	-	-	(2 000)	-	(2 000)	-

